Fiscal Year 1999
Annual Report of the
Federal Library and Information Center Committee

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ighlights of the Year

During Fiscal Year 1999, the Federal Library and Information Center Committee (FLICC) continued to carry out its mission "to foster excellence in federal library and information services through interagency cooperation and to provide guidance and direction for FEDLINK."

FLICC's annual information policy forum, "Copyright, Electronic Works, and Federal Libraries: Maintaining Equilibrium," focused on how authors, publishers, readers, libraries, and the government are working to redistribute rights and obligations between authors and readers and restore balance to the copyright arena. FLICC also held its annual FLICC Symposium on the Information Professional, this year focusing on the current context for federal outsourcing.

FLICC working groups achieved a broad agenda in Fiscal Year 1999: the first annual FLICC Awards to recognize the innovative ways federal libraries, librarians and library technicians fulfill the information demands of government, business, scholarly communities and the American public; a Web-based handbook of federal librarianship; new educational initiatives in the areas of cartographic and serials cataloging; surveys to members on fees, technical processing, and information technology; knowledge, skills, and abilities statements for federal cataloging librarians; increased federal library participation in the Library of Congress Bicentennial; and expanded access to resources through distance learning and the FLICC Web site.

FLICC also collaborated with the Library's General Counsel on a series of meetings between federal agency general counsels and their librarian counterparts. These general counsel fora grew out of the recognition that federal attorneys and librarians face many of the same questions in applying copyright, privacy, FOIA, and other laws to their agencies' activities in the electronic age -- with regard both to using information within the agency and to publishing the agency's own information. These meetings have already fostered a closer relationship between agency attorneys and librarians and helped them develop contacts with their counterparts at other agencies.

In addition to supporting the membership projects, FLICC staff identified and implemented a series of customer service initiatives, made substantial improvements to the efficiency of the FEDLINK program, improved members' use of OCLC, negotiated additional and substantial discounts for FEDLINK members, and investigated options to replace the FEDLINK financial system. Staff also sponsored 34 seminars and workshops for 1343 participants and conducted 105 OCLC, Internet, and related training classes for 1099 students.

FLICC's cooperative network, FEDLINK, continued to enhance its fiscal operations while providing its members with $50.8 million in transfer pay services and $67.5 million in direct pay services, saving federal agencies more than $14 million in vendor volume discounts and approximately $6.6 million more in cost avoidance.

During Fiscal Year 1999, FEDLINK staff resolved all critical "Y2K" issues for systems throughout FLICC and automated the billing upload to the Library's central financial system to reduce members' IAG billing turnaround time. FEDLINK staff also collaborated with the Library's central accounting unit to eliminate redundant data entry associated with the processing of member refunds. Continued success with FEDLINK's document imaging and archiving system streamlined member and vendor billing inquiries and improved records management. Moreover, FEDLINK's continuing financial management efforts ensured that FEDLINK successfully passed the Library's Financial Audit of Fiscal Year 1998 transactions performed by Clifton Gunderson, LLP.

FLICC managers worked throughout Fiscal Year 1999 to improve project planning, implementation, and staff participation through effective use of Facilitative Leadership (FL) techniques and leadership development programs fostered by the Library.

FLICC Quarterly Membership Meetings

In addition to regular FLICC Working Group updates and reports from FLICC/FEDLINK staff, each FLICC quarterly meeting had a special meeting focus on a new or developing trend in federal libraries: the first FLICC Quarterly Membership meeting featured a report on the Depository Library Council by Fred Wood of the National Library of Medicine and a presentation and tour of the Library's Scholarly Program by its director, Prosser Gifford; the second meeting included a demonstration and discussion of OCLC's pilot Cooperative Online Resource Catalog (CORC) project by Terry Noreault, Vice President of the OCLC Office of Research; the third meeting hosted Stephen Griffin, Program Director, Special Projects, National Science Foundation (NSF), who discussed "The Digital Libraries Initiative at the Division of Information and Intelligence Systems" at NSF; and the fourth meeting featured Jay Liebowitz, Robert W. Deutsch Distinguished Professor of Information Systems, University of Maryland-

Baltimore County, who addressed the role of federal libraries in knowledge management.

FLICC Working Groups

FLICC Ad Hoc Bicentennial LC Working Group

In honor of the Library's upcoming bicentennial celebration, a FLICC working group formed in Fiscal Year 1998 to develop programs for the entire federal library community to participate in the Library's celebration and derive expanded promotion of their efforts beyond the Library's bicentennial year. By participating in the Library's bicentennial activities, federal libraries and information centers will increase recognition of their programs and link federal libraries to the Library of Congress under the larger campaign to publicize the "Nation's Collections." In Fiscal Year 1999, the working group began working with an outside contractor to create a poster, bookmark, and promotional toolkit for federal libraries to use in their local celebrations. The working group developed a slogan, celebration guidelines, and a chronology of federal libraries, and began gathering additional materials for an online federal library almanac. In collaboration with the FLICC Preservation and Binding Working Group, members explored opportunities to create a national registry of historical materials in need of preservation and digitization. By the end of Fiscal Year 1999, the working group had completed the majority of its planned bicentennial toolkit materials and initiated the production and distribution phase of their efforts in time for the bicentennial year.

FLICC Awards Working Group

To honor the many innovative ways federal libraries, librarians, and library technicians fulfill the information demands of government, business, research, scholarly communities, and the American public, the Awards Working Group administered a series of national awards for federal librarianship. The three awards are:

Federal Library/Information Center of the Year -- to commend a library or information center's outstanding, innovative, and sustained achievements during the fiscal year in fulfilling its organization's mission, fostering innovation in its services, and meeting the needs of its users;

Federal Librarian of the Year -- to honor professional achievements during the fiscal year in the advancement of library and information sciences, the promotion and development of services in support of the agency's mission, and demonstrated professionalism as described in the Special Library Association's *Competencies for Special Librarians in the 21st Century*; and

Federal Library Technician of the Year -- to recognize the achievements of a federal library technician during the fiscal year for service excellence in support of the library or information center's mission, exceptional technical competency, and flexibility in adapting work methods and dealing with change.

In this first year of the program, the working group reviewed 19 nominations in the three award categories. They selected eight entries as finalists for the FLICC Executive Board to review and determine the 1998 winners. At the annual FLICC Forum on Federal Information Policies in March 1999, FLICC announced the winners of the first annual awards:

Federal Library and/or Information Center of the Year (tie)--National Institutes of Health Library and the Defense Technical Information Center;

Federal Librarian of the Year--Joan Buntzen, Librarian of the Navy; and

Federal Library Technician of the Year--Connie Clarkston, David Grant Medical Library, Travis Air Force Base.

The individual award winners each received a certificate and an engraved crystal award in the shape of a book honoring their contributions to the field of federal library and information service, and the institutional winners each received a framed, hand-painted certificate for display. The working group then reviewed the program criteria in the summer of 1999 and initiated promotion efforts for the second annual awards program.

FLICC Budget and Finance Working Group

The FLICC Budget and Finance Working Group developed the Fiscal Year 2000 FEDLINK budget and fee structure in January 1999. When approved unanimously by the FLICC membership in June 1999, the final budget for Fiscal Year 2000 kept membership fees for transfer pay customers at Fiscal Year 1998 levels: 7.75 percent on accounts up to $300,000 and 7.00 percent on amounts exceeding $300,000. Direct pay fees also remained at Fiscal Year 1998 levels.

FLICC Education Working Group

During Fiscal Year 1999, the FLICC Education Working Group developed or supported 34 programs for 1343 participants in the areas of technology development, copyright issues, technician training, cataloging and classification, and appropriations law. In addition, the FLICC Orientations to National Libraries and Information Centers and

brown-bag luncheon discussions continued throughout the year.

In November 1998, the working group sponsored "Contracting Out: Making It Your Job" with speakers including: Sybil Bullock, Director, Redstone Scientific Information Center, U.S. Army Missile Command; Barbara Wrinkle, Director, U.S. Air Force Libraries and Information Systems; Dorothy Fisher Weed, Librarian, Department of Labor; Omar Akchurin, Project Manager, SANAD Support Technologies; and Doria Grimes, Chief, Library Contracts, NOAA. Seventy-five federal librarians attended this program to discuss the current context for federal outsourcing of information and library services.

During the winter months FLICC continued its commitment to librarians' and library technicians' continuing education by hosting satellite downlinks to two popular teleconferences, "Soaring to... Excellence" and "Periodical Database," both sponsored by the College of DuPage.

Following the success of previous programs, the working group held the third annual "Federal Library Technicians Institute." This week-long institute again focused on orienting library technicians to the full array of library functions in the federal context. Federal and academic librarians joined FLICC professionals to discuss various areas of librarianship, including acquisitions, cataloging, reference, and automation.

The newest FLICC institute, "Financial Management Institute for Federal Librarians," reviewed accounting and budgeting principles, federal appropriations law, non-federal funds and fund raising, interpretation and presentation of financial information, cost analysis, and vendor price analysis. Participants gained skills in making financial decisions, budgeting, and accounting for library resources in a federal environment.

The working group also began developing an online handbook of federal librarianship to serve as a resource tool for librarians new to the federal community and a quick reference guide for established federal librarians.

FLICC Information Technology Working Group

In Fiscal Year 1999, the Information Technology Working Group promoted its new Web-based survey entitled "The FLICC Information Technology Assessment for Federal Libraries and Information Centers." This tool helps federal librarians examine how information technology is being used in their organization and glean information about other libraries' equipment and programs. The results of this informative questionnaire are accessible through the FLICC/FEDLINK Web site and allow federal librarians to assess

the level of automation in their libraries by comparing their agency's use of technology with other agencies' library profiles.

The working group also co-sponsored, with the OCLC Institute, a two-day seminar, "Technology in a Time of Rapid Change," to help libraries explore and quantify current technology trends and their impact on federal libraries. Participants gained a foundation to guide their agencies with improved strategic technology planning.

FLICC Nominating Working Group

The FLICC Nominating Working Group oversaw the 1999 election process for FLICC rotating members, FLICC Executive Board members and the FEDLINK Advisory Council (FAC). Librarians representing a variety of federal agencies agreed to place their names in nomination for these positions.

FLICC Personnel Working Group

The Personnel Working Group continued its efforts in developing sample Knowledge, Skills, and Abilities(KSAs)statements to help hiring officials specify appropriate quality ranking factors on vacancy announcements for federal librarian positions. They intended these KSAs be used as a guide; they are not associated with specific grade levels nor are they intended to be used for classifying 1410 positions. During Fiscal Year 1999, the working group formalized KSAs for cataloging librarians and posted them on the FLICC Web site.

The working group also contacted the Office of Personnel Management(OPM)regarding improved recruitment for the 1410 librarian series, requesting that OPM eliminate references to a defunct test previously administered by OPM from the current qualifications standard. Their continued correspondence with OPM also has begun to focus on current qualification requirements for library positions.

FLICC Preservation and Binding Working Group

The Preservation and Binding Working Group reorganized and reformed in Fiscal Year 1999, naming new co-chairs late in the year. The goals of the revitalized working group are to identify preservation priorities for federal libraries and information centers, discover alternative sources of funding to support these preservation efforts, and to create and disseminate preservation information and resources in an electronic format through

the FLICC Web site.

The working group explored the current GPO Binding contract and made strides toward developing a standard federal conservation/preservation contract. Through the FLICC/FEDLINK Web site, the working group also promoted the "Disaster Preparedness Workbook for U.S. Navy Libraries and Archives," written by Robert Schnare of the U.S. Naval War College Library.

FLICC Publications and Education Office

Publications: In Fiscal Year 1999, FLICC supported an ambitious publications schedule producing 11 issues of *a* completely redesigned *FEDLINK Technical Notes*: October 1998 (8 pages); November 1998 (8 pages); December 1998 (8 pages); January 1999 (12 pages); February 1999 (12 pages); March 1999 (12 pages); April 1999 (12 pages); May 1999 (8 pages); June 1999 (8 pages); July 1999 (8 pages); and August/September 1999 (12 pages); and two issues of the *FLICC Quarterly Newsletter*: Fall/Winter 1998 (double issue/16 pages); and Spring 1999 (12 pages).

FLICC published expanded and enhanced materials to support the FEDLINK program including the 75-page Fiscal Year 2000 *FEDLINK Registration Booklet*; six FEDLINK Information Alerts; and the 1999 FLICC Awards brochure. FLICC also produced the minutes of the four Fiscal Year 1999 FLICC Quarterly Meetings and bimonthly FLICC Executive Board meetings and all FLICC Education Program promotional and support materials including the FLICC Forum announcement, Forum attendee and speaker badges, press advisories, speeches and speaker remarks, and Forum collateral materials. In addition, FLICC produced 24 FLICC Meeting Announcements to promote FLICC Education Programs, FEDLINK membership, vendor, and OCLC users' meetings, and education institutes, along with badges, programs, certificates of completion, and other supporting materials.

FLICC and FEDLINK staff worked diligently throughout 1999 to continue to expand and update the FLICC/FEDLINK Web site. The site contains a variety of information resources, member information, links to vendors and other members, listings of membership and minutes of various FLICC working groups and governing bodies, access to account data online, award program information, event calendars, and an online training registration system that is updated nightly. FLICC staff converted all publications, newsletters, announcements, alerts, member materials, and working group resources into HTML format, uploading current materials within days of their being printed. Through collaboration with the FEDLINK Network Operations staff, the FLICC Web site continues to expand and offer resources including OCLC Usage Analysis Reports, pricing data for the FEDLINK Books Procurement Program, and many new documents, including the Fiscal Year 2000 budget materials, serials procurement

materials, and training resources.

Education: In conjunction with the FLICC Education Working Group, FLICC offered a total of 34 seminars, workshops, and lunchtime discussions to 1343 members of the federal library and information center community. Multi-day institutes covered serials cooperative cataloging, technology planning, library technician training, metadata, federal financial management, cataloging cartographic materials, managing interlibrary loan; one-day sessions offered hands-on and theoretical knowledge on serials procurement, managing Web access, periodical databases, implementation of the Library's Integrated Library System, and contracting out. The "FLICC Orientations to National Libraries and Information Centers Series," comprised of tours of other federal libraries and information centers, continued in Fiscal Year 1999 with visits to and presentations at the Government Printing Office, the National Oceanic and Atmospheric Administration (NOAA), the Supreme Court, the U.S. Department of the Interior, and the U.S. Department of State. FLICC also was a host to two General Counsel Fora, and to the College of DuPage's "Soaring to Excellence," a multi-session satellite downlink program on library science issues for librarians and library technicians, as well as DuPage's "Periodic Database" satellite presentation.

FLICC also provided organizational, promotional, and logistical support for FEDLINK meetings and events including: the FEDLINK Fall and Spring Membership Meetings; two FEDLINK OCLC Users Group meetings; a series of vendor briefings; and a program on "How to Use FEDLINK in Fiscal Year 2000."

FLICC continued to improve its multimedia distance learning initiative through significant upgrades to equipment (camera, lighting, sound system), software, and video quality. Using these resources, FLICC produced high quality, edited educational programs (with title pages, subtitles, voiceovers, rolling credits, etc.), and through its arrangement with the National Library of Education, made these videos available for interlibrary loans to federal libraries throughout the country and around the world. Planning and testing in Fiscal 1999 moved FLICC's distance learning initiatives toward a World Wide Web-based presentation with the acquisition of Real Media Producer software and equipment.

FEDLINK (Federal Library and Information Network)

In Fiscal Year 1999, FEDLINK gave federal agencies cost-effective access to an array of automated information retrieval services for online research, cataloging, and interlibrary loan (ILL). FEDLINK members also procured publications, technical processing services, serials, electronic journals, CD-ROMs, books, and document delivery via

Library/FEDLINK contracts with major vendors.

The FAC met monthly during Fiscal Year 1999 (except in November, May, and August), holding its first all electronic meeting in June. During the year, the FAC approved the Fiscal Year 2000 FEDLINK budget and worked with staff to create a white paper for agency contracting officers on the value and efficiency of using FEDLINK services.

FEDLINK's semiannual membership meetings both focused on electronic collection development. The Fall meeting featured guest speaker Joyce L. Ogburn, Assistant University Librarian for Information Resources and Systems, Old Dominion University Library, Norfolk, Virginia, who addressed integrating electronic materials into library operations from the librarian's perspective, and Marcia Talley, FEDLINK's OCLC Users Council Delegate, who reported on the October OCLC meeting entitled "Digital Libraries: Looking at the Future of the Information Industry." The FEDLINK Spring Membership Meeting featured Gil Baldwin (GPO), Janice Beattie (NOAA), and Martin Smith (Smithsonian), who discussed "controlling access to digital resources." FEDLINK staff also presented a description of OCLC's pilot CORC project which explores technology to share cataloging of electronic resources.

FEDLINK/OCLC Network Activity

The Fall and Spring OCLC Users Group Meetings highlighted OCLC advancements in the use of Web and Windows technologies. At the Fall meeting, FEDLINK staff outlined both OCLC and FEDLINK plans to implement and train users on a redeployed FirstSearch system that takes advantage of Java scripts and allows libraries to customize library resources to suit user needs and optimize local budgetary requirements. FEDLINK members also heard reviews of OCLC's new simplified cataloging system for use via the Web, designed for use by small libraries or libraries with large copy cataloging operations. The Spring meeting featured presentations outlined OCLC's Cataloging MicroEnhancer and its other Windows-based packages which were recently enhanced to automate more complex cataloging functions. All of these packages reached a critical mass of functionality this year, making them optimum choices for the majority of the federal libraries already contributing to OCLC's WorldCat database.

FEDLINK also promoted increased use of OCLC's and FEDLINK's electronic choices for gathering information about products and prices, ordering products, and asking questions, via the Web, email, and electronic listservs. Although about one third of this type of information is still made available via print in newsletters and product literature, the majority of OCLC's and FEDLINK's information about OCLC systems, services and prices are now distributed first or only via electronic means.

Through FEDLINK's efforts, several federal libraries began participating in OCLC's pilot CORC project, agreeing to develop and test this online system for streamlining the collection and cataloging of Web resources. The Smithsonian and the National Wetlands Research Center joined the pilot early in the process, followed by a group of earth sciences libraries organized by the FEDLINK office, including Environmental Protection Agency, Department of the Interior, Geological Survey, NASA Goddard, NOAA, and the Naval Research Laboratory. Ann Parham, the Army Librarian, then worked with FEDLINK to organize a second group that includes the National Defense University (NDU), the Center for Army Lessons Learned (CARL), a TRADOC library at Ft. Leavenworth, the Pentagon Library, the U.S. Military Academy (West Point), the Army War College, and three Army Corps of Engineers libraries: Headquarters, Cold Regions, and Waterways Experiment Station. The Air University and the National Labor Relations Board also began work in the CORC system in early 1999.

Beyond the routine support and administration of OCLC services for FEDLINK members, FEDLINK's Network Operations also cross-trained three staff members from FEDLINK Fiscal Operations (FFO) in consecutive 120-day details to a paraprofessional level position to support OCLC administration. These details benefitted FNO beyond the administrative assistance they provided by enhancing FNO staff's understanding of fiscal processes and FFO's understanding of network operations. This improved communication between units met goals previously established cooperatively by staff and management.

FEDLINK Training Program

The 1999 FEDLINK training program included specialized training classes and customized workshops for FEDLINK members around the globe. OCLC's introduction of its New FirstSearch service provided reason and opportunity to conduct 20 targeted training sessions for members converting to this upgraded retrieval service. Staff held 10 of these FirstSearch sessions onsite in member libraries and hosted two special sessions at the American Library Association (ALA) conference for Air Force and Army librarians. FNO met other important training needs by tailoring special workshops to specific members, including a class on basic acquisition of library materials and an advanced acquisitions class developed for the Military Librarians Workshop in Alexandria, Virginia in November. Additionally, FNO staff held two workshops on information service licensing for Air Force librarians at ALA in New Orleans in June. To assist members with integrating their research and library acquisitions/collection development on the Web, FNO staff presented session at the second annual cooperative workshop with MINITEX in April.

Overall, FEDLINK conducted 105 OCLC, Internet, and related classes for 1099 students. Of the 105 classes held, 55 were at field sites. Staff held training sessions in Alabama, Arizona, California, Florida, Illinois, Oklahoma, Texas, and Washington state. Through

its contract training programs, FEDLINK offered members access to programs through the OCLC Pacific Network (Vandenberg Air Force Base (AFB), California and Travis AFB, California) and the Bibliographical Center for Research (Cannon AFB, New Mexico; Malmstrom AFB, Montana; Peterson AFB, Colorado; Warren AFB, Wyoming; and Edwards AFB, California). Federal librarians also continued to have access to training through FEDLINK agreements to four OCLC regional library networks: Capcon, Palinet, Solinet and the Michigan Library Network.

Procurement Program

FEDLINK successfully re-competed its Fiscal Year 2000 basic ordering agreements (BOAs) for serials subscription services by May and presented these service updates in the same month. BOAs were issued to American Overseas Book Company, Blackwell, EBSCO, and Faxon. FEDLINK subsequently competed 300 serials accounts in Fiscal Year 1999 for Fiscal Year 2000 service.

In 1999, FEDLINK took the initiative to research commercial information retrieval/electronic publications products and services available to its members. The objective of the project was to gain better discounts and more comprehensive offerings for FEDLINK members. In anticipation of beginning the contract renewal process, staff had discussions with Amigos, BCR, Incolsa, Ohionet, and Solinet regarding vendors' products and services and the level of discounts offered to those networks and FEDLINK. FEDLINK distributed renewal information to all the service providers, requesting that they review their product offerings and discounts. FEDLINK's top 10 database vendors also met with FEDLINK and Contract and Logistics staff to discuss their mergers and acquisitions, new consortial arrangements, additional products/services, revised pricing and licensing terms.

FEDLINK also collected information from FEB and FAC members, regarding their negotiations with commercial vendors for services outside the scope of the FEDLINK program. In addition, staff compared products/services available through FEDLINK with those available via the General Services Administration (GSA) schedules. FEDLINK used the results of this in-depth research as background and briefing information when negotiating with Lexis-Nexis, West Group, Information Handling Service, Chemical Abstracts, Gale Research Group, Congressional Quarterly, Dialog (including DataStar & Profound), and Bell & Howell/UMI.

Staff explored a variety of issues with these information retrieval/electronic publications vendors:

- Mergers -- since there have been many consolidations among vendors' organizations, FEDLINK staff led discussions to clarify current and future expectations and ensure the smooth transfer of outstanding invoices and other services.
- One-stop shopping -- staff inquired whether vendors planned to offer all their products and services to FEDLINK members.
- FEDLINK discounts -- staff explored what programmatic changes would encourage vendors to increase their discounts to the FEDLINK program.
- Licenses -- staff reviewed individual vendor licenses to see if there were terms and conditions that could be problematic for FEDLINK members and/or delay procurements.
- Community building -- staff stressed the agency viewpoint that vendors are also FEDLINK "customers."

As a result of these discussions, FEDLINK vendors are now offering a variety of new discounts and other savings. FEDLINK also worked with a number of vendors to implement a pilot plan to streamline end-of-year billing disputes. Some vendors also agreed to offer additional products and services to FEDLINK members, and others consolidated their offerings into single accounts to streamline billing functions. Throughout the annual contract renewal process FEDLINK staff emphasized with vendors that FEDLINK was a procurement consortium and that FEDLINK contract officers are willing and able to negotiate special arrangements for any FEDLINK members.

During Fiscal 1999, FEDLINK focused on the Library's purchasing agreements and staff met with representatives from interested Library units to negotiate Library enterprise-wide access to Lexis/Nexis and free trial offers from the Bureau of National Affairs (BNA) and Bell&Howell UMI/ProQuest.

Expanding its consortial purchasing efforts, FEDLINK worked closely with Wright-Patterson Technical Libraries to negotiate consortial pricing with Dialog. Currently, Dialog is offering special consortial pricing for Wright-Patterson Technical libraries: Wright-Patterson, Phillips, Rome, and Tyndall Technical Libraries.

FEDLINK staff also completed site visits to the District of Columbia Corporation Counsel, the Agency for International Development Office of the General Counsel, and the International Trade Office. FEDLINK also assisted the Health Care Finance Administration with cost proposal review of an online vendor's proposal.

To improve contracts/account management, FEDLINK arranged separate agreements for network training contracts in Fiscal Year 2000. In Fiscal Year 2000, FEDLINK members will use their FEDLINK training accounts solely for FEDLINK or FLICC events and set

up separate accounts with other networks (e.g., CAPCON) whose training services they plan to use.

FEDLINK Fiscal Operations

During Fiscal Year 1999, FEDLINK processed 8,675 member service transaction requests for current and prior years, representing $50.8 million in current year transfer pay, $2.9 million in prior year transfer pay, $67.5 million in current year direct pay, and virtually zero in prior year direct pay service dollars, saving members more than $14 million in vendor volume discounts and approximately $6.6 million more in cost avoidance. Staff issued 54,087 invoices for payment of current and prior year orders and earned $12,800 in discounts in excess of interest penalties for late payment of FEDLINK vendor invoices, completed Fiscal Year 1994 member service dollar refunds to close out obligations for expired appropriations and refund members' remaining account balances, and successfully passed the Library of Congress Financial Audit of Fiscal Year 1998 transactions performed by Clifton Gunderson, LLP.

FEDLINK implemented several initiatives to collaborate with the members to enhance the effectiveness and efficiency of customer service operations, resolved critical "Y2K" issues for its financial system, and revised plans to replace the current financial system through the Library's planned procurement for financial management software in 2004. Staff also found innovative ways to improve the efficiency of FEDLINK's financial processes and ensured that administrative expenditures and obligations did not exceed program fee projections.

FEDLINK Vendor Services

Total FEDLINK vendor service dollars for Fiscal Year 1999 alone comprised $50.8 million for transfer pay customers and $67.5 million for direct pay customers. Electronic information retrieval services represented $13.5 million and $55.0 million spent, respectively, by transfer pay and direct pay customers. Within this service category, online services comprised the largest procurement for transfer pay and direct pay customers, representing $13.1 million and $54.4 million, respectively. Publication acquisition services represented $30.7 million and $12.4 million, respectively, for transfer pay and direct pay customers. Within this service category, serials subscription services comprised the largest procurement for transfer pay and direct pay customers, representing $23.8 million and $12.3 million, respectively. Library support services represented $6.6 million and $65 thousand, respectively for transfer pay and direct pay customers. Within this service category, bibliographic utilities constituted the largest procurement area, representing $5.3 million and $65 thousand for transfer pay and direct pay customers respectively.

Accounts Receivable and Member Services

FEDLINK processed Fiscal Year 1999 registrations from federal libraries, information centers, and other federal offices that resulted in 662 signed Fiscal Year 1999 interagency agreements. In addition, FEDLINK processed 2,320 IAG amendments (1,063 for Fiscal Year 1999 and 1,257 for prior year adjustments) for agencies that added, adjusted, or ended service funding. These IAGs and IAG amendments represented 8,675 individual service requests to begin, move, convert, or cancel service from FEDLINK vendors. FEDLINK executed service requests by generating 8,375 delivery orders that LC/Contracts and Logistics issued to vendors. For Fiscal Year 1999 alone, FEDLINK processed $50.8 million in service dollars for 2,470 transfer pay accounts and $67.5 million in service dollars for 177 direct pay accounts. Included in the above member service transactions were 621 member requests to move prior year (no-year and multi-year) funds across fiscal year boundaries. These no-year and multi-year service request transactions represented an additional contracting volume of $5.3 million comprising 1,018 delivery orders.

The FEDLINK Fiscal Hotline responded to a variety of member questions ranging from routine queries about IAGs, delivery orders, and account balances, to complicated questions regarding FEDLINK policies and operating procedures. In addition, the FLICC Web site and email contacts continued to offer FEDLINK members and vendors 24-hour access to fiscal operations. Staff continued to schedule appointments with FEDLINK member agencies and FEDLINK vendors to discuss complicated account problems and assigned senior staff to concentrate on resolving complex current and prior year situations. FEDLINK online financial service system, ALIX-FS, maintained current and prior year transfer pay accounts in Fiscal Year 1999 and continued to provide members early access to their monthly balance information throughout the fiscal year. FEDLINK prepared monthly mailings that alerted individual members to unsigned IAG amendments, deficit accounts, rejected invoices, and delinquent accounts.

Transfer Pay Accounts Payable Services

For transfer pay users, FEDLINK issued 54,087 invoices for payment during Fiscal Year 1999 for both current and prior year orders. Staff efficiently processed vendor invoices and earned $12,800 in discounts in excess of interest payment penalties levied for the late payment of invoices to FEDLINK vendors. FEDLINK continued to maintain open accounts for three prior years to pay publications service invoices ("bill laters" and "back orders") for members using books and serials services. Staff issued 90,036 statements to members (23,047 for the current year and 66,989 for prior years) and continued to generate current fiscal year statements for electronic information retrieval service accounts on the 30th or the last working day of each month, and publications and acquisitions account statements on the 15th of each month. FEDLINK issued final Fiscal Year 1994 statements in support of closing obligations for expired Fiscal Year 1994

appropriations. FFO issued quarterly statements for prior fiscal years and supported the reconciliation of Fiscal Year 1995 FEDLINK vendor services accounts.

Financial Management

FEDLINK successfully passed the "Library of Congress Financial Audit of Fiscal Year 1998 Transactions" performed by Clifton Gunderson, LLP. During the same time period, FEDLINK also passed a formal review of its management and internal controls policies and procedures by the Library's Inspector General. FEDLINK then completed a limited review of its automated financial system for the Library's 1999 financial audit. FFO invested significant time and effort to support these audits including: 1) financial systems briefings, 2) documented review and analysis of financial system, 3) testing and verification of account balances in the central and subsidiary financial system, 4) financial statement preparation support, 5) security briefings and reviews, and 6) research and documented responses to follow-up audit questions and findings.

In response to customer service research in Fiscal Year 1998, FEDLINK implemented several of the initiatives identified by members to enhance the efficacy and efficiency of fiscal operations. Specifically, fiscal managers collaborated with members to develop policies to improve member management of OCLC deficits and reduce the risk of anti-deficiencies. FEDLINK also secured a 30-day extension for year-end deadlines for adding funds to member accounts. Other initiatives included reducing the turnaround time for MIPR signatures, IAG bills, invoice rejection notices, and money move requests; establishing closer working relationships with members and vendors in the areas of customer communication and account management; and expanding resources and account information access on the FLICC Website; and streamlining the acquisition of FEDLINK vendor services through credit card and online e-business procurement.

Financial Management Systems

By the end of Fiscal Year 1999, FEDLINK's financial system and the Library's central accounting system were "Y2K Ready," denoting that Year 2000 changes have been made to operating software although functional elements are subject to further testing. During the fiscal year, the FEDLINK systems team resolved all critical Y2K issues for systems throughout FLICC/FEDLINK. Their efforts included converting the financial management system from a Banyan Vines network operating system to a Windows NT network operating system; modifying integrated software tables, forms, and reports to accommodate four character years; and updating Web file management and uploads.

In Fiscal Year 1999, FEDLINK researched private sector financial management system capabilities to develop requirements for a new automated financial system to replace FEDLINK's current financial system. The research indicated that private sector systems should be part of the choice set for the next generation FEDLINK system. As part of these research and review efforts, FEDLINK revised and streamlined a request for proposal for private sector and Treasury approved system providers, determined proposal evaluation strategies, and assembled an evaluation team. Because submitted proposals exceeded FLICC's predetermined cost target for acquiring a new financial management system, FEDLINK revised its strategy to become part of the Library's planned financial procurement scheduled for Fiscal Year 2004 in support of all congressional agencies.

FEDLINK also automated its billing upload program which significantly reduced members' IAG billing turnaround time and collaborated with the Library's central accounting unit to eliminate redundant data entry associated with the processing of member refunds. Continued success with FEDLINK's document imaging and archiving system streamlined member and vendor billing inquiries and improved records management. Future efforts include extending the use of this system to other units within FEDLINK's Accounts Receivable and Contracts areas.

Budget and Revenue

During Fiscal Year 1999, FEDLINK earned only 90 percent of its target Fiscal Year 1999 operating budget in fee revenue from signed IAGs. Since FEDLINK canceled its request for proposal for a replacement financial system, administrative expenditures and obligations did not exceed program fee projections. As Fiscal Year 1999 ended, FEDLINK fee revenue was approximately 9 percent below Fiscal Year 1998 levels for the same time period.

Approximately half of the 9 percent drop in fee revenue is attributed to the Fiscal Year 1999 budget reduction in fees for transfer pay service accounts. The other half of the 9 percent drop in fee revenue is attributed to approximately a 5 percent drop in transfer pay service dollar volume below Fiscal Year 1998 levels.